

ADDENDUM 1

Sample Agreement

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD 213 (Rev 06/03)

AGREEMENT NUMBER

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

California Department of Aging

CONTRACTOR'S NAME

2. The term of this Agreement is: through

3. The maximum amount of this Agreement is: \$

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work page(s)

Exhibit B – Budget Detail and Payment Provisions page(s)

Exhibit C* – General Terms and Conditions

Check mark one item below as Exhibit D:

☐
☐

Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)

page(s)

Exhibit - D* Special Terms and Conditions

Exhibit E – Additional Provisions

page(s)

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

BY (Authorized Signature)

DATE SIGNED(Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

STATE OF CALIFORNIA

AGENCY NAME

California Department of Aging

BY (Authorized Signature)

DATE SIGNED(Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

Rachel de la Cruz, Manager, Contracts and Business Services Section

ADDRESS

1600 K Street, Sacramento, California 95814

*California Department of General
Services Use Only*

☐ Exempt per:

Alzheimer's Disease Demonstration Grant
Exhibit B

ARTICLE I. PAYMENT

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Grantee for actual expenditures incurred.
- B. To receive payment, the Grantee shall prepare and submit one (1) original with signature and three (3) copies of a Request for Funds form to be specified by the Department, to:

Lora Connolly
Director's Office
1600 K Street
Sacramento, California 95814

- C. Payments shall be made in accordance with the following provisions:
 - 1. The Grantee shall submit invoices monthly in arrears for actual expenditures incurred.
 - 2. Invoices shall be submitted by the tenth day of the month following the month in which the expenses were incurred.

ARTICLE II. BUDGET CONTINGENCY CLAUSE

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Grantee to reflect the reduced amount.

- C. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

ARTICLE III. FUNDS

- A. Maximum Funds Available

In consideration of the timely performance of the Grantee in a manner consistent with the law and this Agreement, including reporting requirements, the State shall pay the Grantee a total amount not to exceed \$ _____.

ARTICLE III. FUNDS (Continued)

B. Expenditure of Funds

1. The Grantee shall expend all funds received hereunder in accordance with this Agreement.
2. Any reimbursement for necessary traveling expenses and per diem shall be at rates in effect for the Grantee and shall not exceed those applicable to the Grantee's other employees. No expenses for travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.
3. The Department reserves the right to refuse payment to the Grantee or later disallow costs for any expenditure deemed by the Department as not in compliance with this Agreement; unrelated to Grant activities; or inappropriate to such activities; or for which there is insufficient supporting documentation presented; or for which prior approval was required but was either not requested or not granted.

C. Accountability for Funds

The Grantee shall maintain accounting records to account for the funds received under the terms and conditions of this Agreement separate from any other funds administered by the Grantee.

D. Unexpended Funds

Upon termination, cancellation or expiration of this Agreement, or dissolution of the entity, the Grantee shall return to the State immediately upon written demand, any funds provided under this Agreement, which are not payable for goods or services delivered prior to the termination, cancellation or expiration of this Agreement, or the dissolution of the entity.

E. Availability of Funds

1. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional or legislative appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
2. This Agreement is valid and enforceable only if the Congress or the Legislature makes sufficient funds available to the State for the fiscal years during which the services are being performed for the purposes of this Grant. In addition, this Agreement is subject to any additional restrictions, limitations or conditions enacted by the Congress or the Legislature that may affect the provisions, terms or funding of this Agreement in any way.
3. It is mutually agreed that if the Congress or the Legislature does not appropriate sufficient funds for this Grant, this Agreement shall be amended to reflect any reduction in funds.

ARTICLE III. FUNDS (Continued)

4. In the event that insufficient funds are appropriated, this Agreement may be cancelled at any time by either party, by giving thirty (30) days written notice to the other party.
5. The State has the option to void this Agreement under the thirty (30) day cancellation clause or to amend the Agreement to reflect any reduction of funds.

ARTICLE IV. BUDGET AND BUDGET REVISION

- A. The Grantee shall be reimbursed for expenses only as itemized in the approved Project Budget.
- B. Either party may shift or re-budget line items and related detailed expenses appearing in each budget exhibit attachment, as stipulated herein. Budget changes requested/required by CDA shall be initiated by written notification to the Grantee.
- C. Cumulative changes to budget detail, line item shifts or the re-budgeting of line item totals is allowed up to 10% of the total current total approved budget.

These budget changes shall not require prior CDA approval or formal agreement amendment provided said budget changes do not alter any total budget exhibit amount or alter/affect performance of the scope of work.

- D. Grantee initiated budget changes that exceed the limits specified in paragraph C herein or that alter/affect performance of the scope of work require prior written CDA notification and approval and the processing of a formal amendment to this Agreement. Such changes would also require the review and approval of the federal agencies administering this grant. The timing, method and manner of notifying CDA of these changes or requesting CDA approval shall be mutually agreed upon in writing by both parties. CDA may determine the format of the request or provide a specific form for this purpose. If CDA does not indicate a specific format or form, the Grantee may devise its own, subject to CDA approval. Invoices reflecting expenses based on budgetary changes described herein may be temporarily held or reduced until proper CDA approval is obtained.

ARTICLE V. MATCH REQUIREMENTS

Section 398 of the Public Health Service Act (42 U.S.C. 398 et. Seq.) as amended, requires that grantee provide a match for each of the three years of this grant period. The match requirement is as follows:

- 25 percent match (cash or in-kind) during the first year
- 35 percent during the second year
- 45 percent during the third and subsequent years

Alzheimer's Disease Demonstration Grant
Exhibit D

ARTICLE I. DEFINITIONS AND RESOLUTIONS OF LANGUAGE CONFLICTS

- A. The term "Agreement" or "Grant" shall mean the Standard Agreement, (Std. 213), all exhibits, Scope of Work, Budget, attachments and amendments, unless otherwise provided in this Article.
- B. In the event of any inconsistency between the articles, attachments, or provisions which constitute this Grant, the following order of precedence shall apply:
 - 1. Standard Agreement, etc., and any amendments thereto;
 - 2. Scope of work;
 - 3. Special terms and conditions including Exhibit D;
 - 4. General terms and conditions, including Exhibit C; and
 - 5. All other attachments incorporated herein by reference.
- C. "State," and "Department," means the State and the California Department of Aging (CDA) interchangeably.
- D. "Grantee" means the entity to which funds are awarded under this Agreement and which is accountable to the State and/or federal government for use of these funds and is responsible for executing its provisions and services.
- E. "Subgrantee" means the legal entity that receives funds from the Grantee under this Agreement.
- F. "Reimbursable Item" also means "allowable cost" and "compensable item."
- G. "CFR" means Code of Federal Regulations. "CCR" means California Code of Regulations. "GC" means Government Code. "W&I" means Welfare and Institutions Code. "USC" means United States Code. "PCC" means the Public Grant Code.

ARTICLE II. ASSURANCES

- A. Nondiscrimination
 - 1. The Grantee shall comply with all federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VII of the Civil Rights Act of 1964 (42 USC 2000e et.seq), as amended by the Equal Opportunity Act of March 24, 1972 (Public Law 92-261), (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive

ARTICLE II. ASSURANCES (Continued)

Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3) as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 43601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to this Agreement.

2. Grantee assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. Sections 12101 et seq.). Grantee agrees to include this requirement in all subgrants it enters into to provide services pursuant to this Agreement.

B. Confidentiality

1. The Grantee shall protect from unauthorized disclosure, names and other identifying information concerning persons receiving services pursuant to this Agreement, except for statistical information not identifying any participant. Employees of the Grantee shall sign a Statement of Confidentiality.
2. Identity shall include, but not be limited to, name, identifying number, symbol or other identifying characteristic assigned to the individual, such as finger or voice print or a photograph.
3. The Grantee shall protect from unauthorized disclosure names and identifying information concerning persons receiving services pursuant to this Agreement, except for statistical information not identifying any participant.
4. The Grantee shall not use such identifying information for any purpose other than carrying out the Grantee's obligations under this Agreement.
5. The Grantee shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the participant, any such identifying information to anyone other than the State without prior written authorization from the State, except when subpoenaed by a court. (See Appendix I, W&I Code, §9725.)

C. Law, Policy and Procedure, Licenses, and Certificates

The Grantee agrees to administer this Agreement and require any subgrantees to administer their subgrants in accordance with this Agreement, and with all applicable local, State, and federal laws and regulations. To include, but not be limited to, wages and hours of employment, occupational safety and to fire, safety, health, and sanitation regulations, directives, guidelines, and/or manuals related to this Agreement and resolve all issues using good administrative practices and sound judgment. The Grantee and its subgrantees shall keep in effect all licenses, permits, notices, and certificates that are required by law.

ARTICLE II. ASSURANCES (Continued)

D. Standards of Work

The Grantee agrees that the performance of work and services pursuant to the requirements of this Agreement shall conform to accepted professional standards.

E. Conflict of Interest

1. The Grantee shall prevent employees, consultants, or members of governing bodies from using their positions for purposes including, but not limited to, the selection of subgrantees, that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as family, business or other ties. In the event that the State determines that a conflict of interest exists, any increase in costs associated with the conflict of interest may be disallowed by the State and such conflict may constitute grounds for termination of the Agreement.
2. This provision shall not be construed to prohibit employment of persons with whom the Grantee's officers, agents or employees have family, business, or other ties, so long as the employment of such persons does not result in a conflict of interest (real or apparent) or increased costs over those associated with the employment of any other equally qualified applicant, and such persons have successfully competed for employment with the other applicants on a merit basis.

F. Covenant Against Contingent Fees

1. The Grantee warrants that no person or selling agency has been employed or retained to solicit this Agreement. There has been no agreement to make commission payments in order to obtain this Agreement.
2. For breach or violation of this warranty, the State shall have the right to annul this Agreement without liability or at its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

G. Payroll Taxes and Deductions

The Grantee shall promptly forward payroll taxes, insurances, and contributions, including State Disability Insurance, Unemployment Insurance, Old Age Survivors Disability Insurance, and federal and State income taxes withheld, to designated governmental agencies.

H. Grants in Excess of \$100,000

If all funding provided herein exceeds \$100,000, the Grantee shall comply with all applicable orders or requirements issued under the following laws:

1. Clean Air Act, as amended (42 USC 1857).
2. Clean Water Act, as amended (33 USC 1368).

ARTICLE II. ASSURANCES (Continued)

3. Federal Water Pollution Control Act, as amended (33 USC 1251, et seq.).
4. Environmental Protection Agency Regulations (40 CFR, Part 15 and Executive Order 11738).

I. Debarment, Suspension, and Other Responsibility Matters

1. The Grantee certifies to the best of its knowledge and belief, that it and its subgrantees:
 - a. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - b. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State, or local) transaction or grant under a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this Agreement had one or more public transactions (federal, State, or local) terminated for cause or default.
2. The Grantee agrees to timely execute any and all amendments to this Agreement or other required documentation relating to their vendors debarment/suspension status.

J. Agreement Authorization

If a public entity, the Grantee shall submit to the Department a copy of the resolution, order, or motion referencing this Agreement number authorizing execution of this Agreement. If a private entity, the Grantee shall submit to the Department an authorization by the board of directors to execute this Agreement, referencing this Agreement number.

K. Grantee's Staff

The Grantee shall make staff available to the State for training and meetings, which the State may find necessary from time to time.

L. Corporate Status

1. If a corporation, Joint Powers Authority (JPA) or partnership, the Grantee shall be in good standing with the Secretary of State of California and shall maintain that status throughout the term of the Agreement.

ARTICLE II. ASSURANCES (Continued)

2. The Grantee shall ensure that any subgrantees providing services under this Agreement shall be of sound financial status. Any subgranting corporation or JPA shall be in good standing with the Secretary of State of California and shall maintain that status throughout the terms of the Agreement.
3. Failure to maintain good standing by the granting corporation, partnership or the JPA shall result in suspension or termination of this Agreement with the Department until satisfactory status is restored. Failure to maintain good standing by a subgranting corporation or JPA shall result in suspension or termination of the subgrant until satisfactory status is restored.

M. Lobbying Certification

The Grantee, by signing this Agreement, hereby certifies to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal grant, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant, loan, or cooperative agreement.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this federal Grant, Grant loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The Grantee shall require that the language of this certification be included in the award documents for all subgrants at all tiers (including subgrants/subcontractors, loans, and cooperative agreements which exceed \$100,000) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. This certification is a prerequisite for making or entering into this transaction imposed by 31 USC 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

ARTICLE III. AGREEMENT

A copy of the Agreement is on file and available for inspection at the California Department of Aging, 1600 K Street, Sacramento, California 95814.

ARTICLE IV. COMMENCEMENT OF WORK

Should the Grantee or subgrantee begin work in advance of receiving notice that the Agreement is approved, that work may be considered as having been performed at risk as a mere volunteer and may not be reimbursed or compensated.

ARTICLE V. SUBGRANTS

- A. The Grantee shall satisfy, settle, and resolve all administrative, programmatic, and fiscal aspects of the program(s), including issues that arise out of any subgrants, and shall not delegate or Grant these responsibilities to any other entity. This includes, but is not limited to, disputes, claims, protests of award, or other manners of a contractual nature.
- B. In the event any subgrantee is utilized by the Grantee for any portion of this Agreement, the Grantee shall retain the prime responsibility for all the terms and conditions set forth, including but not limited to, the responsibility for preserving the State's copyrights and rights in data in accordance with Article XIX, of this exhibit, for handling property in accordance with Article VII of this exhibit, and ensuring the keeping of, access to, availability, and retention of records of subgrantees in accordance with Article VI of this exhibit.
- C. Funds for this Agreement shall not be obligated in subgrants for services beyond the ending date of this Agreement, unless all funding under this Agreement is appropriated without regard for fiscal year, and the Department has agreed in writing to permit the specific expenditure for a specified period of time.
- D. The Grantee shall have no authority to Grant for, or on behalf of, or incur obligations on behalf of the State.
- E. Copies of subgrants, Memorandums and/or Letters of Understanding shall be on file with the Grantee and shall be made available for review at the request of the Department.
- F. The Grantee shall monitor the insurance requirements of its subgrantees in accordance with Article XII, Section E of this exhibit.
- G. The Grantee shall require all its subgrantees to indemnify, defend, and save harmless the Grantee, its officers, agents, and employees from any and all claims and losses accruing to or resulting from any subgrantees, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with any activities performed for which funds from this Agreement were used and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the subgrantee in the performance of this Agreement.
- H. The Grantee shall ensure that the subgrantee will complete all reporting and expenditure documents requested by the Department. These reporting and expenditure documents shall be sent to the Grantee in a timely manner and at intervals as determined by the Department.

ARTICLE V. SUBGRANTS (Continued)

- I. The Grantee shall require the subgrantee to maintain adequate staff to meet the subgrantee's Agreement with the Grantee. This staff shall be available to the State for training and meetings which the State may find necessary from time to time.
- J. If a private nonprofit corporation, the subgrantee shall be in good standing with the Secretary of State of California and shall maintain that status throughout the term of the Agreement.

ARTICLE VI. RECORDS

- A. The Grantee shall, at all times during the term of this Agreement, maintain complete records (which shall include, but not be limited to, accounting records, Grants, agreements, letters of agreement, insurance documentation in accord with Article XV, Memorandums and/or Letters of Understanding and resident records) of its activities and expenditures hereunder in a form satisfactory to the State and shall make all records pertaining to this Agreement available for inspection and audit by the State or federal government or their duly authorized agents, at any time during normal business hours. All such records must be maintained and made available by the Grantee (a) until an audit has occurred and an audit resolution has been issued or unless otherwise authorized in writing by the Department's Audit Branch, (b) for such longer period, if any, as is required by applicable statute, by any other clause of this agreement, or by Sections B., or C., or (c) for such longer period as the Department deems necessary.
- B. If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for the same periods as specified in Section A above. The Grantee shall ensure that any resource directories and all client records remain the property of the Department, and are returned to the Department upon termination of this Agreement.
- C. In the even of any litigation, claim, negotiation, audit exception, or other action involving the records, all records relative to such action shall be maintained and kept available until every action has been cleared to the satisfaction of the State and so stated in writing to the Grantee.
- D. Adequate source documentation of each transaction shall be maintained relative to the allowability of expenditures reimbursed by the State under this Agreement. If the allowability of expenditures cannot be determined because records or documentation of the Grantee are nonexistent or inadequate according to Generally Accepted Accounting Principles and Procedures, the expenditures will be questioned in the audit and may be disallowed by the State during the audit resolution process.
- E. After the authorized period has expired, confidential records shall be destroyed by shredding and disposed of in a manner that will maintain confidentiality.

ARTICLE VII. REPORTS

Grantee shall prepare semi-annual program reports and final project reports following federal Grant specifications that shall be submitted by the Department after review and approval.

ARTICLE VIII. PROPERTY

Unless otherwise provided for in this Article, property refers to all assets, capitalized or noncapitalized, used in operation of this Agreement. Property that is capitalized is referred to as property, plant, and equipment. Property includes land, buildings, improvements, machinery, vehicles, furniture, tools, and intangibles, etc. Property does not include consumable office supplies such as paper, pencils, typing ribbons, file folders, etc.

Property meeting all of the following criteria are subject to the capitalization requirements.

Such property must:

1. Have a normal useful life of at least 1 year;
2. Have a unit acquisition cost of at least \$5000 (e.g., four identical assets which cost \$3000 each, for a \$12,000 total would not meet this capitalization requirement); and
3. Be used to conduct business under this Agreement.

As used in this Agreement, the term "equipment" shall refer only to capitalized property.

Noncapitalized property are those items which do not meet all three requirements in this Article, Section B above.

Additions, improvements, and betterments to assets meeting all of the conditions in Section B above must be capitalized. Additions typically involve physical extensions of existing units. Improvements and betterments typically do not increase the physical size of the asset. Instead, improvements and betterments enhance the condition of an asset (e.g., extend life, increase service capacity, and lower operating costs). Examples of assets that might be improved and bettered include roads, bridges, curbs and gutters, tunnels, parking lots, streets and sidewalks, drainage, and lighting systems.

Intangibles are property which lack physical substance but give valuable rights to the owner and can be capitalized or noncapitalized. Examples of intangible property, copyrights, leases, and computer software. By contrast, hardware consists of tangible equipment (e.g., computer printer, terminal, etc.).

Costs include all amounts incurred to acquire and to ready the intangible asset for its intended use. Typical intangible property costs include the purchase price, legal fees, and other costs incurred to obtain title to the asset.

ARTICLE VIII. PROPERTY (Continued)

The Grantee shall record the following information when property is acquired:

1. Date acquired;
2. Property description (include model number);
3. Property identification number (serial number);
4. Cost or other basis of valuation;
5. Fund source; and
6. Rate of depreciation (or depreciation schedule), if applicable.

The Grantee shall keep track of property purchased with Grant funds, whether capitalized or not. The Grantee shall submit to the Department, annually with the Closeout, a current inventory of property furnished or purchased by the Grantee with funds awarded under the terms of this Agreement or any predecessor agreement for the same purpose. The Grantee shall maintain an annual inventory of property furnished or purchased by the subgrantee with funds awarded under the terms of this Agreement or any predecessor agreement for the same purpose. The Grantee shall use the Report of Project Property Furnished/Purchased with Agreement Funds (CDA 32) to report property to the Department.

Prior to disposal of any property purchased by the Grantee or the subgrantee with funds from this Agreement, the Grantee must obtain approval from the Department regardless of the acquisition value. Disposition, which includes sale, trade-in, discarding, or transfer to another agency may not occur until approval is received from the Department. The Grantee shall use the Request to Dispose of Property (CDA 248) to dispose of property.

- H. The Grantee shall immediately investigate and within five (5) days fully document the loss, destruction, or theft of such property.
- I. The State reserves title to all State-purchased or financed property not fully consumed in the performance of this Agreement, unless otherwise required by federal law or regulations or as otherwise agreed by the parties.
- J. Grantee shall exercise due care in the use, maintenance, protection, and preservation of such property during the period of the project, and shall assume responsibility for replacement or repair of such property during the period of the project, until the Grantee has complied with all written instructions from the Department regarding the final disposition of the property.
- K. In the event of the Grantee's dissolution or upon termination of this Agreement, the Grantee shall provide a final property inventory to the State. The State reserves the right to require the Grantee to transfer such property to another entity, or to the State.

ARTICLE VIII. PROPERTY (Continued)

- L. To exercise the above right, no later than 120 days after termination of the Agreement or notification of the Grantee's dissolution the State will issue specific written disposition instructions to the Grantee.
- M. The Grantee shall use the property for the purpose for which it was intended under the Agreement. When no longer needed for that use, the Grantee shall use it, if needed, and with written approval of the State for other purposes in this order:
 - 1. Another Department program providing the same or similar service; or
 - 2. Another Department-funded program; or
 - 3. State/federally-funded program.
- N. The Grantee may share use of the property and equipment or allow use by other programs, upon written approval of the Department. As a condition of the approval, the Department may require reimbursement under this Agreement for its use.
- O. The Grantee or subgrantee shall not use equipment or supplies acquired under this Agreement with federal and/or State monies for personal gain or to usurp the competitive advantage of a privately-owned business entity.
- P. If purchase of equipment is a reimbursable item, the equipment to be purchased will be specified in the budget.
- Q. The Grantee shall include the provisions contained in this Article in all its subgrants awarded under this Agreement.

ARTICLE IX. ACCESS

The Grantee shall provide access to the Bureau of State Audits, or any of their duly authorized State representatives, any books, documents, papers, and records of the Grantee or subgrantee which are pertinent to this specific Agreement for the purpose of making audit, examination, excerpts, and transcriptions. The Grantee shall include this requirement in its subgrants.

ARTICLE X. MONITORING, ASSESSMENT AND EVALUATION

- A. Authorized State and/or federal representatives shall have the right to monitor, assess and evaluate the Grantee's performance pursuant to this Agreement. Said monitoring, assessment and evaluation may include, but is not limited to, audits, inspections of project premises, and interviews of project staff and participants.
- B. The Grantee shall cooperate with the State in the monitoring, assessment and evaluation processes, which include making any program, administrative staff (fiscal, etc.) available during any scheduled process.

ARTICLE XI. AUDIT

- A. If the total Grant amount exceeds \$500,000, the Grantee shall arrange for an audit to be performed in accordance with Generally Accepted Governmental Auditing Standards, and a copy submitted to the Department. The audit shall be a program specific financial audit of all Agreement expenditures and revenues to cover the entire Grant period.
- B. If the total Grant amount is \$500,000 or less, a program specific audit is not required.
- C. For all Grant amounts, if the Grantee is required to have an audit performed in accordance with Single Audit Act Amendments of 1988 and Circular A-133, a copy of this audit should be submitted to the Department for each fiscal year of the Grant. Submission of an acceptable Single Audit may be substituted for the program specific audit required by Section A of this article.
- D. The Department shall have access to all audit reports of the Grantee and subgrantees and the option to perform audits and/or additional work, as needed.
- E. Where the Grantee engages an independent auditor, the Grantee shall provide for clause permitting access by the State to the work papers of the independent auditor.
- F. The Grantee shall cooperate with, and participate in, any further audits, which may be required by the State. Audits to be performed shall be minimally, financial and compliance audits, and may include economy and efficiency and/or program results audits.
- G. Grantee agrees that claims based upon a contractual agreement or an audit finding and/or an audit finding that is appealed and upheld, shall be recovered by the State and/or Federal Government by one of the following options:

Grantee's remittance to the State of the full amount of the audit exception within 30 days following the State's request for repayment;

A repayment schedule which is agreeable to both the State and the Grantee.

The State reserves the right to select which option will be employed and the Grantee will be notified by the State in writing of the claim procedure to be utilized.

Interest on the unpaid balance of the audit finding or debt will accrue at a rate equal to the monthly average of the rate received on investments in the Pooled Money Investment Fund commencing on the date that an audit or examination finding is mailed to the Grantee, beginning 30 days after Grantee's receipt of the State's demand for repayment.

If the Grantee has filed a valid appeal regarding the report of audit findings, recovery of the overpayments will be deferred until a final administrative decision on the appeal has been reached. If the Grantee loses the final administrative appeal, Grantee shall repay, to the State, the over-claimed or disallowed expenses, plus accrued interest. Interest accrues from the Grantee's first receipt of State's notice requesting reimbursement of questioned audit costs or disallowed expenses.

ARTICLE XII. INSURANCE

- A. Prior to commencement of any work under this Agreement, the Grantee shall assure that for the term of this Agreement:

General liability of not less than \$1,000,000 per occurrence for bodily injury and property damage combined. Higher limits may be required by the Department in cases of higher than usual risks.

Automobile liability including non-owned auto liability, of not less than \$1,000,000 for volunteers and paid employees providing services supported by this agreement.

If applicable, Grantees and subgrantees shall comply with the Public Utilities Commission (PUC) General order No. 115-E which requires higher levels of insurance for charter-party carriers of passengers and is based on seating capacity as follows:

\$750,000 if seating capacity is under 8
\$1,500,000 if seating capacity is 8 – 15
\$5,000,000 if seating capacity is over 15

unless otherwise amended by future regulation.

Professional liability of not less than \$1,000,000 as it appropriately relates to the services rendered. Coverage may include medical malpractice and/or errors and omissions.

- B. The insurance will be obtained from an insurance company acceptable to the Department of General Services, Office of Risk and Insurance Management, or be provided through partial or total self-insurance acceptable to the Department of General Services.
- C. Evidence of insurance shall be in a form and content acceptable to the Department of General Services, Office of Risk and Insurance Management. Insurance obtained through commercial carriers shall meet the following requirements:
1. The Certificate of Insurance shall provide that the insurer will not cancel the insured's coverage without thirty (30) days prior written notice to the State, or ten (10) days written notice if the reason for cancellation is for non-payment of insurance premium.
 2. The Certificate of Insurance shall provide that the "Department of Aging." State of California, its officers, agents, employees, and servants are included as additional insured's, with respect to work performed for the State of California under this Agreement. Professional liability coverage is exempt from this requirement.
 3. The Department shall be named the certificate holder and the address must be listed on the certificate.

ARTICLE XII. INSURANCE (Continued)

- D. The insurance provided herein shall be in effect at all times during the term of this Agreement. In the event the insurance coverage expires during the term of this Agreement, the Grantee agrees to provide the Department, at least thirty (30) days prior to the expiration date, a new certificate of insurance evidencing insurance coverage as provided herein for a period not less than the remaining Agreement term or for a period not less than one (1) year. In the event the Grantee fails to keep in effect at all times said insurance coverage, the Department may, in addition to any other remedies it may have, terminate this Agreement.
- E. The Grantee shall require its subgrantees under this program, other than units of local government which are similarly self-insured, to maintain adequate insurance coverage for general liability, worker's compensation liabilities, and if appropriate, auto liability including non-owned auto and professional liability, and further, the Grantee shall require all of its subgrantees to hold the Grantee harmless. The Grantee shall maintain certificates of insurance for all its subgrantees.
- F. A copy of each appropriate Certificate of Insurance referencing this Agreement Number, or letter of self-insurance, shall be submitted to the Department with this Agreement.
- G. Grantee shall be insured against liability for Worker's Compensation or undertake self-insurance in accordance with the provisions of the Labor Code and Grantee affirms to comply with such provisions before commencing the performance of the work of this Agreement (Labor Code Section 3700).

ARTICLE XIII. COPYRIGHTS AND RIGHTS IN DATA

A. Copyrights

- 1. If any material funded by this Agreement is subject to copyright, the State reserves the right to copyright such material and the Grantee agrees not to copyright such material, except as set forth in subdivisions (b) and (c) of this section.
- 2. The Grantee may request permission to copyright material by writing to the Director of the Department. The Director shall consent to or give the reason for denial to the Grantee in writing within sixty (60) days of receipt of the request.
- 3. If the material is copyrighted with the consent of the Department, the State reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, prepare derivative works, publish, distribute and use such materials, in whole or in part, and to authorize others to do so, provided written credit is given the author.
- 4. The Grantee certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Grant for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

ARTICLE XIII. COPYRIGHTS AND RIGHTS IN DATA (Continued)

B. Rights in Data

1. The Grantee shall not publish or transfer any materials, as defined in item 2 below, produced or resulting from activities supported by this Agreement without the express written consent of the Director of the Department. That consent shall be given or the reasons for denial shall be given and any conditions under which it is given or denied within thirty (30) days after the written request is received by the Department. The Department may request a copy of the material for review prior to approval of the request. This subsection is not intended to prohibit Grantees from sharing identifying client information authorized by the participant or summary program information which is not client-specific.
2. As used in this Agreement, the term "subject data" means writings, sound recordings, pictorial reproductions, drawings, designs or graphic representations, procedural manuals, forms, diagrams, workflow charts, equipment descriptions, data files and data processing or computer programs, and works of any similar nature (whether or not copyrighted or copyrightable) which are first produced or developed under this Agreement. The term does not include financial reports, cost analyses, and similar information incidental to Grant administration, or the exchange of that information between Area Agencies on Aging to facilitate uniformity of Grant and program administration on a statewide basis.
3. Subject only to the provisions of Article XVIII and Article XIX of this Exhibit, the State may use, duplicate, or disclose in any manner, and have or permit others to do so subject to State and federal law all subject data delivered under this Agreement.
4. Materials published or transferred by Grantee shall: (a) state "The materials or product were a result of a project funded by a Grant with the California Department of Aging"; (b) give the name of the entity, the address, and telephone number at which the supporting data is available; and (c) include a statement that "The conclusions and opinions expressed may not be those of the California Department of Aging and that the publication may not be based upon or inclusive of all raw data."
5. When issuing public documents or public information related to the pilot program, Grantee shall clearly identify the State of California as the federal Grant recipient and that the work of the pilot project is funded with federal funds under the Real Choice Systems Change Grants for Community Living (FY 2004).

ARTICLE XIV. SUSPENSION OR TERMINATION

A. Termination for Convenience

The State may terminate performance of work under this Agreement for its convenience in whole or, from time to time, in part, if the State determines that a termination is in the State's interest. The State shall terminate by delivering to the Grantee a Notice of Termination specifying the extent of termination and the effective date thereof. Such termination shall be effective thirty (30) days from the delivery of the Notice of Termination. The Parties agree that, as to the terminated portion of the Agreement, the Agreement shall be deemed to remain in effect until such time as the termination settlement, if any, is concluded and the Agreement shall not be void.

B. Termination for Default

1. The State may by written notice of default to the Grantee, terminate this Agreement, in whole or in part, as a consequence of any of the following events:
 - a. A violation of the law or failure to comply with any condition of this Agreement.
 - b. Inadequate performance or failure to make progress so as to endanger performance of this Agreement.
 - c. Failure to comply with reporting requirements.
 - d. Evidence that the Grantee is in an unsatisfactory financial condition as determined by the Department or evidence of a financial condition that endangers performance of this Agreement and/or the loss of other funding sources.
 - e. Delinquency in payment of taxes or payment of costs for performance of this Agreement in the ordinary course of business.
 - f. Appointment of a trustee, receiver, or liquidator for all or a substantial part of the Grantee's property, or institution of bankruptcy, reorganization or the arrangement of liquidation proceedings by or against the Grantee.
 - g. Service of any writ of attachment, levy of execution, or commencement of garnishment proceedings against the Grantee's assets or income.
 - h. The commission of an act of bankruptcy.
 - i. Finding of debarment or suspension, Article II I.
 - j. The Grantee's organizational structure has materially changed.

- C. In the event of termination notice, the Department will present written notice to the Grantee of any conditions, such as care of clients, return of unspent funds, and disposition of property, which must be met prior to termination.

ARTICLE XIV. SUSPENSION OR TERMINATION (Continued)

- D. The Department may determine that a Grantee may be considered “high risk” as described in 45 CFR, Part 92.12 for local governments and 45 CFR, Part 74.14 for non-profit organizations. If such a determination is made, the Grantee may be subject to special conditions or restrictions.

ARTICLE XV. REMEDIES

The Grantee agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the Department as a result of breach of this Agreement by the Grantee, whether such breach occurs before or after completion of the Project.

ARTICLE XVI. DISSOLUTION OF ENTITY

The Grantee shall notify the Department immediately of any intention to discontinue existence of the entity or to bring an action for dissolution.

ARTICLE XVII. REVISIONS, WAIVERS OR MODIFICATIONS

- A. Should either party during the term of this Agreement desire a revision, waiver, or modification in this Agreement, such revision, waiver or modification shall be proposed in writing to the other party. The other party shall accept in writing within thirty (30) days of receipt of request or it shall be considered rejected, except those revisions, waivers, or modifications put into effect per the CDA amendment process. Once accepted, such revisions, waivers or modifications shall require an Agreement amendment through the Department’s amendment process to provide for the change mutually agreed to by the parties. The revision, waiver, or modification is not effective until the appropriate State processes have been completed.
- B. The State reserves the right to revise, waive, or modify the Agreement to reflect any restrictions, limitations, or conditions enacted by Congress or the Legislature.

ARTICLE XVIII. NOTICING

- A. Any notice to be given hereunder by either party to the other may be affected by personal delivery in writing or by registered or certified mail, postage prepaid, return receipt requested, and shall be communicated as of actual receipt.
- B. Notices mailed to the State shall be addressed to the California Department of Aging, 1600 K Street, Sacramento, CA 95814, and notices mailed to the Grantee shall be to the address indicated on the coversheet of this Agreement.
- C. Each party may change its address by written notice to the other party in accordance with this Article. Address changes must be addressed to the Director of CDA.

ARTICLE XIX. GRIEVANCE PROCEDURE

If the Grantee disputes the administration of this Agreement, either fiscal or non-fiscal said Grantee should use the grievance procedure established by the Department. The Grantee shall notify the CDA of its intention to file a grievance within thirty (30) days of the disputed action.

ARTICLE XX. PROGRAM CONTACT

- A. The name of the Department's Program Contact to request revisions, modifications or waivers affecting this Agreement will be provided by the State to the Grantee upon full execution of this Agreement.
- B. Lora Connolly is the Grantee's Program Contact for this Agreement. The Grantee shall immediately notify the State in writing of any change of Program Contact or address.